

**Erik Jacobson**Director
Regulatory Relations

Pacific Gas and Electric Company 77 Beale St., Mail Code B13U P.O. Box 770000 San Francisco, CA 94177

Fax: 415-973-3582

December 15, 2020

#### Advice 6017-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject:** Remote Grid Standalone Power System Supplemental Provisions

Agreement

#### **Purpose**

The purpose of this advice letter is to seek approval by the California Public Utilities Commission (CPUC) of the Pacific Gas and Electric Company (PG&E) Standalone Power System Supplemental Provisions Agreement (Supplemental Provisions Agreement), which clarifies PG&E's customer service tariffs for customers served by Remote Grids.

As discussed in PG&E's 2020 Wildfire Mitigation Plan, Remote Grids would provide some remote retail electricity customers with electric distribution service through facilities owned and operated by PG&E. PG&E is interested in providing service through Remote Grid facilities where such facilities will cost-effectively, safely, and reliably provide service and mitigate wildfire and other safety and reliability risks in remote areas of PG&E's service territory. The term "Remote Grid" as used in this Advice Letter means relatively small, permanently islanded distribution facilities serving customers who are generally located on remote portions of PG&E's distribution system. The Remote Grid facilities will include a Standalone Power System (SPS) made up of local sources of electricity supply, such as solar photovoltaic generation, battery energy storage, and other fuel-powered generation, as well as distribution and service facilities to connect one or more customers to the SPS, as shown in Figure 1. Remote Grid facilities will provide the customer with service consistent with PG&E's service obligations under other customer line extension agreements.

#### **Remote Grid**

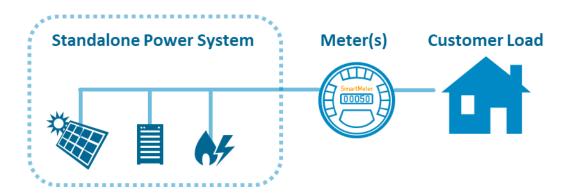


Figure 1: Diagram of example components of a Remote Grid

The Supplemental Provisions Agreement, described more fully below and included as Attachment A to this Advice Letter, supplements existing tariffs and service agreements under PG&E Electric Rules 15 and 16. The Supplemental Provisions Agreement identifies certain exceptions to current PG&E electric rules that are necessary to provide and maintain safe and reliable service using the Remote Grid facilities.

For the initial deployments, PG&E will own, operate, and maintain the Remote Grid facilities and equipment, although PG&E is open to exploring other ownership models in the future, as described in this Advice Letter. Remote Grids would be installed at no additional cost to the customers served by them, and Remote Grid customers would not experience any change to how they are billed for electric service.

Remote Grids that allow for the removal of lines in high wildfire risk areas will provide benefits to both the customers served by Remote Grids and to all distribution customers who will benefit from the cost-effective elimination of wildfire risks associated with distribution lines that run for significant distances through High Fire Threat Districts (HFTD) to serve a small number of remotely located customers. The elimination of these lines will serve two key objectives: (1) reducing the likelihood of fire ignition due to damage or failure of such lines; and (2) elimination or reduction of the cost to harden these lines and to conduct enhanced vegetation management to mitigate the fire-related risks.¹ As PG&E noted in its 2020 Wildfire Mitigation Plan when discussing Remote Grids: "[T]he resulting reduction in overhead lines could reduce fire ignition risk as an alternative to or in conjunction with system hardening. In addition to reducing wildfire risk, Remote Grids could be a cost-effective solution against expense and capital costs for the rebuild of fire-damaged infrastructure or for HFTD hardening infrastructure jobs to meet new

<sup>1</sup> PG&E 2020 Wildfire Mitigation Plan, Feb. 28, 2020, p. 5-139 *et seq.* (describing PG&E's System Hardening initiative).

HFTD build standards."<sup>2</sup> Even outside of HFTDs, Remote Grids may provide a cost-effective option to serve a small number of remote customers and eliminate existing, long distribution lines, thus avoiding significant maintenance and vegetation management costs.

PG&E reserves the right to offer Remote Grids under the Supplemental Provisions Agreement to only certain remote customers on a limited basis. PG&E's initial Remote Grid installations will focus on high-value locations for validating the offering while providing risk reduction benefits at a preferable cost, as discussed below. This is expected to have the added benefit of providing a steady source of power to those customers who are most vulnerable to power shutoffs due to severe winter weather or Public Safety Power Shutoff (PSPS) events. Based on the data developed through initial projects, PG&E may expand its use of Remote Grid in the future as a way to provide cost-effective, safe, and reliable service to remote customers while reducing wildfire risk.

PG&E is not seeking incremental cost recovery for Remote Grids in this Advice Letter. PG&E will track and record the costs appropriately in existing memorandum, balancing, or other accounts in accordance with current CPUC guidance. In the future, PG&E may seek incremental cost recovery for Remote Grid projects in appropriate proceedings and based on CPUC guidance.

#### **Background**

This section provides additional information about the Remote Grid Initiative, initially described in PG&E's 2020 Wildfire Mitigation Plan, in order to provide context for the Supplemental Provisions Agreement which PG&E is seeking Commission approval of in this Advice Letter.

#### a. The Remote Grid Initiative

The Remote Grid Initiative was included in PG&E's 2020 Wildfire Mitigation Plan as a commercially available new technology.<sup>3</sup> Remote Grid will enable PG&E to provide distribution service using distributed energy supply to remote customers as an alternative to energy supply through hardened, traditional utility distribution infrastructure. The program leverages clean, emergent technologies such as solar-paired battery storage in a way that is intended to be cost-effective and/or more resilient relative to current distribution service delivery options.

Customers served by a Remote Grid would not experience any changes to how they are billed for electric service. Customers will continue to be served under their existing rates and tariffs, as supplemented by the Supplemental Provisions Agreement. The Remote Grids are intended to benefit the customers served by them through:

<sup>&</sup>lt;sup>2</sup> *Id.*, p. 5-19.

<sup>&</sup>lt;sup>3</sup> *Id.*, p. 5-19.

- Fewer electric service interruptions due to severe winter weather or PSPS events
- Reduced wildfire risk from overhead electric poles and wires
- Reliable, clean energy at over twice the grid average level of renewables<sup>4</sup>
- A permanent, continuous power source that provides service throughout the year

PG&E expects that all distribution customers will reap long-term savings and other benefits as a result of lower total costs of service and through reduction of wildfire ignition and other service risks. Specifically, some of the ways in which all distribution customers may benefit include:

- Lower cost of service delivery in comparison to hardened distribution infrastructure (e.g. hardened overhead lines or underground conversion)
- Lowered cost of vegetation management due to reduced overhead line miles in HFTDs
- Lower risk profile of assets in HFTDs
- Decreased volume of system hardening line miles, freeing up resources for other locations not well-suited to Remote Grids
- Smaller potential footprint of PSPS events
- Higher electric reliability/fewer service interruptions due to severe winter weather or PSPS events

PG&E is eager to deliver these benefits to its customers and plans to begin the process by providing initial Remote Grid services to willing customers and using the results of those initial installations to refine Remote Grid costs and technology configurations. The process for selection of initial projects and timeline are provided below.

#### b. Selection of Initial Projects

PG&E has developed a replicable selection framework, including a preliminary screening protocol, to identify potential Remote Grid projects where this alternative distribution method is expected to deliver superior risk-spend efficiency and overall distribution cost reduction (including reduced capital costs). PG&E has identified three primary potential use cases for Remote Grids. If the Supplemental Provisions Agreement is approved, the initial phase of the program would focus primarily on the first two use cases: Wildfire Risk Mitigation in Tier 2 and 3 HFTDs; and the Rebuild use case to restore service after distribution facilities are damaged in wildfire or other incidents. Table 1 describes the three use cases identified for Remote Grid application.

<sup>4</sup> PG&E estimates that the initial portfolio of Remote Grids will prove economical when designed to provide approximately 70% renewable energy annually, compared to the 2020 California Renewables Portfolio Standard of 33% renewable energy.

Table 1: Remote Grid Use Cases

Use Case	Description
Wildfire Risk Mitigation in Tier 2 and 3 HFTD	In order to reduce wildfire ignition risk, Remote Grids could be deployed instead of conventional overhead hardening or underground conversion of an existing distribution line segment.
Rebuild	In order to restore service after distribution facilities are damaged in wildfire or other incidents, Remote Grids could be deployed where this alternative provides the long-term lowest risk and lowest cost solution.
Maintenance	In order to meet ongoing needs for distribution maintenance throughout the service territory, Remote Grids could be cost-effective alternatives where discrete or annual maintenance costs (vegetation, inspection, repairs, or replacement) are disproportionately high compared to the amount of customer load served.

The analytical framework for the Wildfire Risk Mitigation use case seeks to identify the locations on the distribution system where a Remote Grid could show benefits. Such locations must have the following three basic characteristics to be considered:

- 1. Located at the end of a radial distribution line,
- 2. Consist of a small number and size of customer loads, and
- 3. Historically served by a long section of line

In HFTD areas, a comparison can be made between the cost and risk reduction provided by conventional hardening methods for that line section versus the cost and risk reduction that may be provided by a Remote Grid solution. Where PG&E sees the conventional strategies for wildfire risk reduction, such as a harden-in-place or underground conversion of line, as having costs primarily driven by distance (line length), the costs of Remote Grid alternatives are instead primarily driven by size of the electric load to be served.

This basic framework suggests PG&E service territory may yield an eventual portfolio of several hundred Remote Grid line segment opportunities in total. Since each segment reaches a few customer meters and may be best served by either single- or multicustomer Remote Grids, this portfolio represents on the order of hundreds of individual Standalone Power Systems serving customer meters ranging from upper hundreds to low thousands in total for an eventual, mature state. The predominant size of each customer load seen in this screening is under 20 kilowatts (kW). Thus, this analysis reveals that a Remote Grid portfolio would serve a small but significant number of locations at the edge

of the distribution system where energy use is low, but delivery infrastructure challenges are high. Further validation is needed to increase the certainty of this portfolio. Through initial projects, PG&E aims to develop the actual data needed to validate costs, performance, and customer acceptance of the Supplemental Provisions.

From this list of preliminary screening results, PG&E has applied criteria including customer response, solar access (shading), civil constructability, and site accessibility to identify initial Remote Grid projects which are likely feasible for this early stage of Remote Grid deployment. PG&E believes initial sites can prove successful, both in terms of operational feasibility and in terms of delivering wildfire ignition risk reduction in a more cost-effective manner. Three initial Remote Grid projects are to be constructed in Mariposa and San Luis Obispo counties. Additional sites in HFTDs in El Dorado, Madera, Fresno, Tulare, Santa Barbara, Yuba, and Sierra counties are currently being assessed.

The 2020 fire season has also created a new tranche of potential Remote Grid projects that require expedient and cost-effective rebuild solutions, as over 200 miles of HFTD distribution lines were impacted by 2020 wildfires as of mid-November. The Remote Grid team has developed initial versions of rebuild-specific screening tools to respond to this sudden demand for Remote Grids as rebuild alternatives. PG&E expects to consider some of these new and urgent opportunities in the scope of the initial projects.

#### c. Timeline for Initial Projects and Potential Future Expansion

PG&E has been developing the Remote Grid Initiative since 2019 as a vehicle for reducing costs and risk of fire ignition from PG&E equipment. PG&E views this initial phase of the program as essential for refining critical assumptions regarding cost, technology, and customer receptivity. Ultimately, these initial projects will enable PG&E to determine an appropriate expansion of Remote Grid using SPSs to serve remote customers at the same or higher levels of reliability than they have experienced in the past with a lower risk profile and at a lower total cost to distribution customers. PG&E aims to have its first Remote Grid systems operational in 2021.

PG&E is seeking CPUC approval of the Supplemental Provisions Agreement included as Attachment A. As PG&E gains experience with the program and refines and enhances it over the initial stages, PG&E may expand it to serve a larger number of remote customers over time.

PG&E described the Remote Grid Initiative in its 2020 Wildfire Mitigation Plan and will continue to do so in future versions of that Plan. Per the CPUC's conditional approval of that Plan,<sup>5</sup> PG&E is required to report quarterly to the CPUC's Wildfire Safety Division pertaining to the Remote Grid Initiative, including project performance metrics and risk reduction benefits. PG&E filed the first of these reports in its Q3 2020 Conditional Guidance Report for new/emerging technology.

<sup>&</sup>lt;sup>5</sup> See Resolutions WSD-002 and WSD-003.



Figure 2: Illustrative Timeline for Initial Remote Grid Projects and Potential Future Expansion

#### <u>Supplemental Provisions Agreement for Remote Grid Service</u>

In this Advice Letter, PG&E seeks CPUC approval of the Supplemental Provisions Agreement, which is provided in Attachment A and described below.

PG&E views Remote Grid systems as a substitute for service via traditional distribution lines. Accordingly, PG&E's existing Electric Rules are generally applicable to Remote Grid Service. However, given the unique nature of the permanently islanded systems, PG&E has developed a set of Supplemental Provisions to extend and clarify how the existing rules and tariffs apply to a customer served by Remote Grid, and to make clear the roles, restrictions, and responsibilities of both PG&E and the customer. After the customer accepts service by Remote Grid and signs the Supplemental Provisions Agreement, PG&E will record a Memorandum of Agreement regarding the customer's Remote Grid service with the appropriate county recorder in order to ensure that successor owners of the property will be aware of the Remote Grid rules and restrictions.

#### a. PG&E's and Applicant's Responsibilities

The Supplemental Provisions Agreement describes PG&E's and the Applicant's responsibilities regarding the system installation on the Applicant's premises, where applicable. If space is needed for the Remote Grid system on the customer's premises, a separate land easement will be requested. The Supplemental Provisions Agreement describes what the SPS will include, and notes that PG&E will furnish, install, own, and maintain the system as applicable after the Applicant meets all requirements to receive service.

#### b. <u>Design and Installation of Remote Grid System</u>

The Supplemental Provisions Agreement addresses the design and installation of the SPS, noting that the installed capacity of the system will be determined based on the Applicant's then-existing load and energy usage. Should the Applicant have a need for increased load subsequent to the date PG&E is first ready to provide service, PG&E will

work with the Applicant to optimize the Applicant's demand profile. Should the Applicant request an increase in the system peak power and maximum energy usage after the date PG&E is first ready to provide service, PG&E will determine whether it can safely increase the installed capacity of the system. Any reinforcement or replacement of the SPS to serve incremental load would be treated in the same manner as for Distribution Lines under the new line extension provisions of Electric Rules 15 and 16. As a practical matter, the application of these existing Rules to these distribution assets means that a Remote Grid customer would not be charged for changes to the Remote Grid system's distribution facilities to accommodate reasonable increases (such as increases within the existing capacity of the customer service panel) in the customer's capacity or energy requirements. This is consistent with existing standards for PG&E to maintain a robust distribution system to serve existing and future loads. That said, the existing Rules allow PG&E to seek approval to allocate costs differently for exceptional cases involving very large changes in load, and those same Rules would apply in the Remote Grid scenario. Service Facilities that extend from the SPS equipment area to the Service Delivery Point would continue to be the customer's cost responsibility as dictated by Rule 16.

#### c. On-Site Generation

The Supplemental Provisions Agreement addresses installation of behind-the-meter generation, highlighting that service by the Remote Grid may decrease the amount of electricity that can be exported from the Premises. The Supplemental Provisions Agreement explains that export will be to the energy storage system component of the Remote Grid, which has limited capacity and is designed to store electricity produced by the Standalone Power System. As such the "hosting capacity" of a Remote Grid may be less than that of the conventional grid.

#### d. Termination Provisions

The Supplemental Provisions Agreement includes termination provisions which specify the conditions for either PG&E or the customer to terminate service via Remote Grid. In the event that PG&E decides to terminate service via Remote Grid, PG&E is obligated to provide service via conventional distribution line interconnection. In the event a customer terminates Remote Grid service, the customer would be terminating utility service and would need to apply for new service from PG&E pursuant to the requirements for line extensions and special facilities under existing PG&E tariffs such as Rules 15 and 16.

#### e. Other

The Supplemental Provisions Agreement states that it is subject to all of PG&E's applicable tariff schedules on file and authorized by the Commission, subject to such changes as the Commission may direct from time to time in the exercise of its jurisdiction.

#### Remote Grids as a Form of Distribution Service and Distribution Assets

Remote Grid projects will substitute for traditional distribution work, providing a net decrease in distribution costs and/or operating risk. PG&E accordingly views Remote Grid assets as distribution assets. Remote Grid projects necessarily include distributed energy supply and storage. These will be small systems, typically under 50 kW in capacity, and are preliminarily planned to include both renewable and non-renewable resources in order to ensure reliability of the Remote Grid within a reasonable footprint and cost.

For the initial projects, PG&E is planning to own the Remote Grid assets in order to reduce complexity for the first projects and to accelerate the eventual delivery of cost reductions and wildfire risk mitigations at scale. In the future, PG&E is open to contracting with third parties who would own and maintain the energy supply and storage portions of the Remote Grid.

In the Long-Term Procurement Planning (LTPP) proceeding, the Commission directed that "utility-owned generation" (UOG) be reviewed through applications for certificates of public convenience and necessity (CPCN).<sup>6</sup> However, PG&E does not believe that Decision (D.)12-04-046 or other Commission precedent regarding regulatory review and approval of UOG are applicable in this case for the following reasons:

- The Remote Grids, consisting of an SPS paired with local distribution facilities, are distribution assets for ratemaking purposes, given the function they are serving.
- SPSs are not being procured for purposes of long-term system reliability as part of the LTPP or successor Integrated Resource Plan processes.
- SPSs are of a very different size and character from the large-scale generation facilities that have been historically referred to as "utility-owned generation" in Commission decisions.
- In particular, D.12-04-046's reference to a CPCN requirement would not apply to the very small generators planned for the initial Remote Grid projects, as General Order 131-D only requires a CPCN for generators with nameplate capacities of more than 50 MW.

#### Role of the Load Serving Entity for Customers Served by Remote Grid

Remote Grid solutions could be used for distribution service in a consistent and agnostic manner without regard to whether PG&E or another entity is the customer's load-serving entity. Preliminary screening of the distribution system in HFTD areas suggests that just

<sup>&</sup>lt;sup>6</sup> D.12-04-046, p. 31 ("[T]he utilities should continue to use [Requests for Offers (RFOs)] for non-UOG procurement, consistent with prior Commission decisions, but UOG procurement will be done through the certificate of public convenience and necessity (CPCN) process."

under half of the few hundreds of line segment opportunities may be within Community Choice Aggregation (CCA) service areas. This means the risk reduction potential for Remote Grid would be most beneficial if the solution ultimately serves some dozens to low hundreds of customers in several CCA areas. PG&E is open to exploring deployment models which meet community and CCA needs in order to realize the risk and cost benefits which Remote Grid may provide to all distribution customers.

None of the initial candidate projects that PG&E is pursuing to construct are within an existing CCA service area. However, as existing CCAs expand and new CCAs launch, these customers may be within a CCA service area in the future, in which case they would become default generation customers of the CCA. Furthermore, as noted above, there are several Remote Grid opportunities in CCA areas which PG&E may wish to pursue in collaboration with the relevant CCA.

Before undertaking any Remote Grid development work in an area served by both PG&E and a CCA, PG&E will collaborate with the appropriate CCA to try to identify a practical and mutually-agreeable way to implement the Remote Grid in that area for the benefit of all distribution customers. Likewise, if a CCA states its intention to expand into a new area served by PG&E which includes one or more Remote Grid systems, PG&E will work with the CCA to find practical solutions.

As an example of the type of practical solution that may be discussed, PG&E and the CCA may enter into an agreement regarding an existing Remote Grid system, or the CCA may propose alternative ways to cost-effectively serve the customer under a coordinated agreement with PG&E to ensure safety and reliability. PG&E also acknowledges that, while current cost, supply chain maturity, and physical footprint considerations prevent PG&E from offering an entirely renewable Remote Grid, a given CCA may make different trade-offs and decisions pertaining to deployments in areas which it serves. PG&E is open to exploring solutions that work for both the relevant CCA and PG&E's broader customer base to face the shared challenge of increasing wildfire risks in California.

#### Ratemaking Issues

PG&E will track and record the costs associated with the initial Remote Grid projects appropriately in applicable memorandum accounts, balancing accounts, or other applicable accounts in accordance with current CPUC guidance. Depending upon whether the Remote Grid work is in response to a declared Catastrophic Emergency event, or is in a Tier 2 or 3 HFTD, the work will be booked accordingly to the Catastrophic Event Memo Account, the Wildfire Mitigation Plan Memo Account, or the applicable GRC funded major work category, as appropriate. Because any incremental cost recovery for particular Remote Grid projects based on the specific use case will be requested in a separate proceeding, PG&E is not seeking specific incremental cost recovery for Remote Grids in this Advice Letter.

#### **Billing and Tariff Issues**

Customers served by a Remote Grid would not experience any changes to how they are billed for electric service. Customers will also be generally able to switch to any other tariff for which the customer is eligible, subject to the specific terms and conditions in the Supplemental Provisions Agreement. For example, the Agreement describes potential limitations on the export of electricity from on-site generation.

As a possible future enhancement, PG&E may seek ways to optimize customer usage and demand profiles for the specific characteristics of a Standalone Power System. For example, such enhancements may take the form of one or more optional Remote Gridspecific rate schedules designed to reduce generator run-time, emissions, or battery degradation by aligning usage with peak solar output. Any such rate development will require data from initial deployments to inform its design and would be subject to CPUC approval prior to being added to Remote Grid service arrangements.

#### **Requested Findings and Conclusions**

For the reasons set forth above and in the Attachment to this Advice Letter, PG&E requests that any Resolution adopted by the Commission making this Advice Letter effective include the following findings and conclusions:

- 1. It is reasonable and necessary for PG&E to execute the Supplemental Provisions Agreement with Remote Grid participants to clarify the respective roles, restrictions placed upon, and responsibilities of both PG&E and the participating customer.
- 2. To the extent the Supplemental Provisions Agreement for the Remote Grid varies from or clarifies existing PG&E electric rules, tariffs, or programs, those variations and clarifications are necessary and reasonable.
- It is reasonable for PG&E to record a Memorandum of Agreement regarding the customer's Remote Grid participation with the appropriate county recorder in order to ensure that successor owners of the property will be sufficiently aware of the Remote Grid rules and restrictions.
- 4. The Remote Grid systems described in this Advice Letter are distribution assets.
- 5. It is reasonable to maintain the customer's current tariff options and rate structure, including the customer's existing transmission, distribution, and generation bill components.

#### **Attachments**

Attachment A: Standalone Power System Supplemental Provisions Agreement

#### **Protests**

\*\*\*Due to the COVID-19 pandemic and the shelter at home orders, PG&E is currently unable to receive protests or comments to this advice letter via U.S. mail or fax. Please submit protests or comments to this advice letter to EDTariffUnit@cpuc.ca.gov and PGETariffs@pge.com\*\*\*

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than January 4, 2020, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division ED Tariff Unit 505 Van Ness Avenue, 4<sup>th</sup> Floor San Francisco, California 94102

Facsimile: (415) 703-2200

E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-3582 E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

#### **Tier Designation**

PG&E designates this as a Tier 3 Advice Letter as described in General Order 96-B, Industry Rule 5.

#### **Effective Date**

PG&E requests that the CPUC issue a Resolution approving this Advice Letter by March 4, 2021, given the fleeting, near-term opportunity to address the restoration of service to certain customers whose service was impacted by the 2020 wildfires through use of Remote Grid systems. Pursuant to General Order 96-B, this Tier 3 Advice Letter will become effective upon Commission approval.

#### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for R.19-09-009 and R.18-10-007. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: http://www.pge.com/tariffs/.

/S/

Erik Jacobson

Director, Regulatory Relations

Attachments

cc: Service List R.19-09-009 and R.18-10-007





## California Public Utilities Commission

# ADVICE LETTER



ENERGIUILIII	OF CALL		
MUST BE COMPLETED BY UTI	ILITY (Attach additional pages as needed)		
Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U 39 E)			
Utility type:  LEC GAS WATER PLC HEAT	Contact Person: Stuart Rubio Phone #: (415)973-4587 E-mail: PGETariffs@pge.com E-mail Disposition Notice to: SHR8@pge.com		
EXPLANATION OF UTILITY TYPE  ELC = Electric GAS = Gas WATER = Water  PLC = Pipeline HEAT = Heat	(Date Submitted / Received Stamp by CPUC)		
Advice Letter (AL) #: 6017-E	Tier Designation: 3		
Subject of AL: Remote Grid Standalone Power Sys  Keywords (choose from CPUC listing): Complian	ice		
AL Type: Monthly Quarterly Annua	al 🗹 One-Time 🗌 Other:		
If AL submitted in compliance with a Commission	on order, indicate relevant Decision/Resolution #:		
Does AL replace a withdrawn or rejected AL? I	f so, identify the prior AL: $_{ m No}$		
Summarize differences between the AL and the prior withdrawn or rejected AL:			
Confidential treatment requested? Yes No  If yes, specification of confidential information: Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/access to confidential information:  Resolution required? Yes No			
Requested effective date: 3/4/21	No. of tariff sheets: 3		
Estimated system annual revenue effect (%): N	I/A		
Estimated system average rate effect (%): $N/A$	1		
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).			
Tariff schedules affected: See Attachment A			
Service affected and changes proposed $^{1:}\mathrm{N/A}$	Α		
Pending advice letters that revise the same tar	iff sheets: $_{ m N/A}$		

## Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division Attention: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Email: <a href="mailto:EDTariffUnit@cpuc.ca.gov">EDTariffUnit@cpuc.ca.gov</a>

Name: Erik Jacobson, c/o Megan Lawson

Title: Director, Regulatory Relations

Utility Name: Pacific Gas and Electric Company Address: 77 Beale Street, Mail Code B13U

City: San Francisco, CA 94177

State: California Zip: 94177

Telephone (xxx) xxx-xxxx: (415)973-2093 Facsimile (xxx) xxx-xxxx: (415)973-3582

Email: PGETariffs@pge.com

Name:

Title:

Utility Name:

Address:

City:

State: District of Columbia

Zip:

Telephone (xxx) xxx-xxxx: Facsimile (xxx) xxx-xxxx:

Email:

### Attachment A Advice 6017-E

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
48035-E	Electric Sample Form No. 79-1208 Standalone Power System Supplemental Provisions Sheet 1	
48036-E	ELECTRIC TABLE OF CONTENTS Sheet 1	48033-E
48037-E	ELECTRIC TABLE OF CONTENTS Sheet 30	47905-E

Electric Sample Form No. 79-1208
Standalone Power System Supplemental Provisions

Sheet 1

(N)

(N)

Please Refer to Attached Sample Form

(Continued)

Advice Decision 6017-E

Issued by
Robert S. Kenney
Vice President, Regulatory Affairs

Submitted Effective Resolution

December 15, 2020



## STANDALONE POWER SYSTEM SUPPLEMENTAL PROVISIONS

1. Applicant has elected, subject to mutual agreement by PG&E, to receive electric service at Applicant's premises in a Remote Grid service arrangement from a distribution system with power supplied by a Standalone Power System. These services shall be installed in accordance with these Supplemental Provisions, the provisions of PG&E Electric Rules 2, 15 and 16, the Distribution and Service Extension Agreement- Provisions, General Terms and Conditions, project specific terms and conditions, design and specifications. To the extent the requirements of these Supplemental Provisions conflict with such Rules and agreements, the requirements of these Supplemental Provisions shall govern.

#### 2. Standalone Power System Installations on Applicant's Premises.

- A. Applicant's Responsibility. In accordance with PG&E's design, specifications, and requirements for the installation of Service Extensions generated by a Standalone Power System, subject to PG&E's inspection and approval, Applicant is responsible for:
  - 1) Space for Standalone Power System Equipment. Applicant shall provide space, if needed, on Applicant's Premises at a location approved by PG&E for a standard Standalone Power System installation. Easements may be required by PG&E to install the Standalone Power System on Applicant's Premises to serve only the Applicant. If the Standalone Power System Equipment will be or is designed to serve other third party properties, then PG&E may at its option install such equipment after appropriate rights of way or easements are obtained, satisfactory to PG&E. Detailed information on PG&E's requirements for the Standalone Power System will be furnished by PG&E.
- B. PG&E's Responsibility. PG&E will furnish, install, own, and maintain the following Standalone Power System equipment as applicable after Applicant meets all requirements to receive service:
  - 1) Standalone Power System: The Standalone Power System equipment will include photovoltaic panels, battery storage, backup fuel powered generator, and other associated equipment and facilities, where required. The construction of the Standalone Power System area, including any required fencing, enclosure, vault or cabinet shall conform with applicable laws, codes, and ordinances of governmental authorities having jurisdiction and PG&E physical security requirements. Applicant shall not have access to the Standalone Power System Equipment area.

#### 3. Design and Installation of Standalone Power System.

Electric Service by the Standalone Power System shall be provided under the following terms and conditions:

- A. PG&E will be responsible for the planning, design, and engineering of the Standalone Power System. The Applicant Design Option provisions of Rules 15 and 16 are not available for Standalone Power System equipment, with the exception of the Service Facilities that extend from the Standalone Power System equipment area to the Service Delivery Point. The Standalone Power System shall not be deemed to be the nearest available permanent Distribution Line for purposes of New Distribution Line extensions under Electric Rule 15 or connections for new service extensions under Electric Rule 16.
- B. The installed capacity of the Standalone Power System at the Premises (and therefore the peak power and maximum energy usage that the Applicant will be able to draw from the Standalone Power System) will be determined by PG&E based on the Applicant's load and energy usage information provided in accordance with Rule 3 but not exceeding the capacity as designed.
- C. If, after the date PG&E is first ready to provide service, the Applicant has a need for increased load at the Premises from the installed capacity (and therefore the peak power and maximum energy usage that may be consumed from the Standalone Power System):



## STANDALONE POWER SYSTEM SUPPLEMENTAL PROVISIONS

- the Applicant must notify PG&E of the changes in load usage or characteristics of the load, per Electric Rule 3;
- 2) PG&E will work with the Applicant to optimize the Applicant's demand profile; if PG&E and the Applicant are unable to agree how to optimize the customer's demand profile such that the fuel powered generator forming part of the Standalone Power System will not run out of fuel between refueling visits, PG&E is not obliged to supply additional fuel to the generator forming part of the Standalone Power System outside of scheduled refueling visits. This may result in the Applicant experiencing outages.
- D. If, after the date PG&E is first ready to provide service, the Applicant requests an increase in the peak power and maximum energy usage that the Applicant can draw from the Standalone Power System, PG&E will consider this request and may request reasonable information from the Applicant to enable PG&E to make a determination, in its sole discretion, as to whether it can increase the installed capacity of the Standalone Power System. When PG&E determines an increase in the installed capacity of the Standalone Power System would require replacement or reinforcement, such replacement or reinforcement shall be accomplished under the provisions for a new line extension installation under Rules 15 and 16.

#### 4. On-Site Generation.

- A. Service by the Standalone Power System may decrease the amount of electricity that can be exported from the Premises because that export will be to the energy storage system component of the Standalone Power System, which will have limited capacity and which is designed to store electricity generated by the Standalone Power System. As is the case under current PG&E rules, Applicant must not install or permit the installation of any permanent on-site electricity generation or storage system on the Premises (or any other location that may service the Premises) without PG&E's prior written consent. The installation of permanent generation must follow the requirements specified in PG&E's Rule 21.
- B. Applicant must not install or permit the installation of any temporary generation for emergency power or for trades personnel to undertake work at the Premises without PG&E's prior written consent. The installation of temporary generators including for emergency, standby, backup, or momentary paralleling purposes must follow the guidelines specified in PG&E's Distribution Interconnection Handbook.
- **5.** Except as otherwise expressly provided herein, these Supplemental Provisions shall be subject to all of PG&E's applicable tariff schedules on file and authorized by the Commission. These Supplemental Provisions shall at all times be subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction.

#### 6. Termination of Agreement.

- A. PG&E reserves the right to terminate this Agreement upon no shorter than thirty (30) days' written notice and to thereafter provide electric service to Applicant through an alternative method of service in accordance with Rules 15/16, including by a conventional Distribution Line Extension that may be constructed in the future.
- B. Applicant may terminate this Agreement by electing to no longer receive electrical service from PG&E via the Standalone Power System. To elect such a termination, Applicant shall provide PG&E with written notice no less than thirty (30) days prior to the date of such termination. To receive service by means of a conventional line extension from PG&E's Distribution System, Applicant must submit a new application for service with PG&E. Any requisite line extensions will be pursuant to the requirements of PG&E's line extension rules in effect at the time of such application including Rules 15 and 16.



## STANDALONE POWER SYSTEM SUPPLEMENTAL PROVISIONS

7. Bundled Service Rates. Applicant may select from any Electric Rate Schedule for which the Applicant qualifies pursuant to the Electric Rate Schedule and these Supplemental Provisions, for purposes of billing for the electric services received. Applicant agrees to pay for all rates in the Electric Rate Schedule, which may include unbundled rate components for services that may not be provided to Applicant during the term of this Agreement.

Pacific Gas and Electric Company	Applicant
This contract has been reviewed and approved by:	Agreed and accepted by:
Authorized Name:	Applicant's Legal Name:
Title:	Title:
Signature:	Signature:
Date:	Date:

Revised Cancelling Revised

Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

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Robert S. Kenney Effective Vice President, Regulatory Affairs Resolution

Revised Cancelling Revised

Cal. P.U.C. Sheet No. Cal. P.U.C. Sheet No.

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Robert S. Kenney Effective Vice President, Regulatory Affairs Resolution

#### PG&E Gas and Electric Advice Submittal List General Order 96-B, Section IV

AT&T

Albion Power Company

Alta Power Group, LLC Anderson & Poole

Atlas ReFuel BART

Barkovich & Yap, Inc.
California Cotton Ginners & Growers Assn
California Energy Commission

California Hub for Energy Efficiency Financing

California Alternative Energy and Advanced Transportation Financing Authority California Public Utilities Commission Calpine

Cameron-Daniel, P.C.
Casner, Steve
Cenergy Power
Center for Biological Diversity

Chevron Pipeline and Power City of Palo Alto

City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
Crossborder Energy
Crown Road Energy, LLC
Davis Wright Tremaine LLP
Day Carter Murphy

Dept of General Services Don Pickett & Associates, Inc. Douglass & Liddell Downey & Brand
East Bay Community Energy
Ellison Schneider & Harris LLP
Energy Management Service
Engineers and Scientists of California

GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz &
Ritchie
Green Power Institute
Hanna & Morton
ICF

IGS Energy

International Power Technology Intestate Gas Services, Inc.

Kelly Group Ken Bohn Consulting Keyes & Fox LLP Leviton Manufacturing Co., Inc.

Los Angeles County Integrated Waste Management Task Force MRW & Associates Manatt Phelps Phillips Marin Energy Authority McKenzie & Associates

Modesto Irrigation District NLine Energy, Inc. NRG Solar

Office of Ratepayer Advocates OnGrid Solar Pacific Gas and Electric Company Peninsula Clean Energy Pioneer Community Energy

Redwood Coast Energy Authority Regulatory & Cogeneration Service, Inc. SCD Energy Solutions San Diego Gas & Electric Company

**SPURR** 

San Francisco Water Power and Sewer Sempra Utilities

Sierra Telephone Company, Inc.
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.

TransCanada
Utility Cost Management
Utility Power Solutions
Water and Energy Consulting Wellhead
Electric Company
Western Manufactured Housing
Communities Association (WMA)
Yep Energy